

September 18, 2006

**FOOD STAMP
Special Notice
06-20**

**CalWORKs
Special Notice
06-22**

**MEDI-CAL
Special Notice
06-14**

**CASH ASSISTANCE PROGRAM
FOR IMMIGRANTS (CAPI)
Special Notice
06-04**

**GENERAL RELIEF
Special Notice
06-05**

Subject	NEW FOOD STAMP COST- OF- LIVING ALLOTMENTS (COLA) EFFECTIVE 10/01/06
Effective Date	Upon Receipt
Reference	All County Information Notice (ACIN) NO. I-61-06 and ERRATA; All County Letter (ACL) No. 06-31; Joint Special Notice (SN) 06-13
Purpose	<p>The purpose of this joint Special Notice is to:</p> <ul style="list-style-type: none">• Inform staff that the Food Stamp COLA mass update process ran the weekend of September 9, 2006;• Inform staff that the Food Stamp Program Guide (FSPG) Handbook Chapter - 63-1100, has been updated and will be posted shortly on the Intranet;• Provide staff with instructions for COLA implementation; and• Provide staff with CalWIN Mass Update Reports.
Background	<p>The Food Stamp Act of 1977 provides annual COLA adjustments to allotments, certain deductions, and eligibility standards. The adjustments are effective every year on the first day of October. If October falls mid-quarter in a QR household, the COLA is effective October 1 and is treated as a county-initiated mid-quarter change.</p>

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**Summary of
Changes**

The following changes are part of the FFY 2007 COLA:

- The maximum allotments according to net income were increased;
- The Gross/Net Income Eligibility Standards have been increased;
- The Excess Shelter Deduction has been increased to \$417;
- The Standard Deduction Amount* increases according to Eligible Food Stamp Household (EFSHH) size as follows:
 - 4 Eligible HH members = \$139
 - 5 Eligible HH members = \$162
 - 6 or more Eligible HH members = \$186.

*NOTE: There was no change in the Standard Deduction Amount for an EFSHH of 1 - 3 members (\$134) or in the Homeless Household Shelter Allowance (HHSA) currently \$143.

Standard Utility Allowance (SUA)

The SUA amount is \$271 for FFY 2007, effective August 1, 2006.

Limited Utility Allowance (LUA)

The LUA amount is \$75 for FFY 2007, effective November 1, 2006. A household that is not eligible for the SUA but incurs expenses for at least two separate utilities other than heating and cooling are eligible for a LUA.

Telephone Utility Allowance (TUA)

The TUA amount is \$20 for FFY 2007, effective November 1, 2006. A household that is not eligible for the SUA or LUA, but incurs a telephone expense or in its absence an equivalent form of communication, is eligible to receive a telephone deduction.

**Maximum Food
Stamp
Allotments**

The 2006-2007 Food Stamp COLA will be effective October 1, 2006. Maximum Allotments will be as follows:

Maximum Food Stamp Allotments								
Household Size								
1	2	3	4	5	6	7	8	Each Additional Person
155	284	408	518	615	738	816	932	+117

Subject:

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Informing Notice State regulations do not require timely notice when processing a mass change. However, we are required to inform clients that a change will or has occurred in their food stamp allotment. This informing requirement can be met by displaying posters containing the information, in places accessible to clients. Households must be informed by October 1, 2006.

Samples of the COLA informing posters (Attachments A and B) are attached to this SN. FRCs will need to post the notification in their lobbies and other areas frequented by clients. These posters must be posted no later than October 1, 2006 and must remain on display until November 30, 2006.

**Food Stamp
Handbook
Chapter**

Revised Handbook Chapter

The FSPG Handbook Chapter 63-1100 has been updated and will be posted on the intranet. Staff will be informed when it is available in Food Stamp Program Guide Letter No. 532.

Forms Impact

The Assistance Standards Chart (Attachment C) has been updated to reflect the Food Stamp Program (FSP) COLA adjustments.

QR Impact

The Food Stamp COLAs are effective October 1, 2006 for Change and Quarterly Reporting (QR) Households. If October falls Mid-Quarter in a Quarterly Reporting Household, the COLA is effective October 1, 2006 and is treated as a county-initiated change.

Staff are reminded of the requirement to discontinue NAFS cases that exceed the gross income level (130 percent of the Federal Poverty Level), when a recipient voluntarily reports income above the gross income level.

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**NSDI,
Transitional
Food Stamp
Cases**

Households receiving Transitional Food Stamps (TFS) will be entitled to this COLA.

Using the TFS list of cases currently receiving NSDI allotments, the HSSs must manually calculate the TFS benefit amount allowing for the COLA.

If the TFS case is eligible to a supplement, issue the supplement following the policy and procedure guidelines in Regional Eligibility and Employment Operations Memo (REEOM) 06-02.

**Automation
Impact**

The COLA mass update process ran the weekend of September 9, 2006. Cases containing Food Stamps were included in the run. The run also updated the allotment for Transitional Food Stamp (TFS) cases that were automatically converted in CalWIN.

EDBC ran on the discrepant cases but they were NOT authorized. The cases are included on the Mass Update Exception Report (MU003R).

The following AU Indicators were passed prior to the COLA being processed. Once the COLA was completed, the indicators were restored.

Type of Special Indicator	
CA - (CAPI)	Batch AU Exception-CA
CW - (CalWORKs)	Batch AU Exception-CW
FS - (Food Stamps)	Batch AU Exception-FS
GA - (General Relief)	Batch AU Exception-GA
MC – (Medi-Cal)	Batch AU Exception-MC
RC – (RCA)	Batch AU Exception-RC

The Allotment Amount, Income Limit, Maximum Excess Shelter Cost and Standard Deduction Tables were updated on 09/01/06. The October budget calculations for the impacted cases will reflect the increase in the allotment amount.

CalWIN Alert

The worker alert 323 “Case has been Authorized in Batch” was turned-off during the COLA run.

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**Discrepant
Cases**

Discrepancies must be resolved in order for the FS COLA to be updated and authorized. Cases are discrepant if the authorization status shows “pending” in Wrap-Up. Resolving the discrepancy may require initiating “case interview” in CalWIN. To initiate “case interview”, the HSS must expand **Data Collection** from the **Intake & Case Maintenance** button on the Navigator and select **Initiate Window Queue**, enter the case number, and click **Open**.

In the **Initiate Window Queue** window, select the discrepant program and click **Initiate Queue**.

For this activity, the HSS may leave “Conversion Default Values” as they are. If so, these default values must be changed at a later date when the discrepant case is corrected.

**CalWIN Mass
Update Reports**

To assist staff with case reviews, the following reports will be generated as a result of the COLA and accessible online in CalWIN via Management Reporting.

- MU0002R – Mass Update Detail
 - MU0003R – Mass Update Exception
 - MU0005R – Mass Update Summary
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**Cola
Supplemental
Reports**

The following reports will be distributed to the FRCs to further assist staff with case reviews. Every case on the “**ERROR WORKER DETAIL**” Report must be reviewed. Staff are required to review the EDBC results and manually authorize the cases as appropriate. The reports accompany this Special Notice.

- **ERROR WORKER DETAIL:** This report lists and describes errors encountered along with corresponding case number, case name, case status, program and worker detail. Cases on this list have not been auto-authorized by CalWIN.
 - **CORRESPONDENCE DETAILS:** This report lists all the correspondence that was triggered during the COLA run on each case. **NOTE:** These correspondences were automatically mailed on September 13, 2006.
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**Client
Correspondence**

CalWIN produced the standard change notice QR 377.4 to provide notification to households in which benefits changed due to changes other than the COLA. This notification was automatically mailed September 13, 2006.

**Manual Budget
Calculations
Reminder to Staff**

Manual calculations done outside of CalWIN should be completed based on joint **SN 06-13**.

The following are methods staff may use to meet the documentation requirement;

- Manually in the **County Use Section** at the bottom of the of the QR7
- CalWIN case comments (must show the actual calculation)
- Form QR30
- Form QR 285B
- Manual or computer calculations

When using Forms QR 30, QR285B and/or manual or computer calculations, staff must file these documents in the case file financial folder under income report tab.

**Medi-Cal, GR,
CAPI, and
CalWORKs
Impact**

Medi-Cal, GR, CAPI, and CalWORKs HSSs with Food Stamp associated programs must continue to review their alerts and communications for impacts.

Staff may receive phone calls on correspondence resulting from the COLA. If they do, they should review the NOAs that were generated from Client Correspondence to determine if they were issued appropriately.

HSS Actions

HSS's must use the lists provided with this Special Notice to determine if the COLA has been updated.

If the case has a discrepancy, the FS COLA was not applied to the case. Staff must take corrective action to fix the discrepancy and authorize the case in order for the COLA to be applied.

Staff should complete the COLA corrections as soon as administratively feasible.

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**Food Stamp
Simplification
Options-ACL No.
06-31 & ACIN
I-69-06**

ACIN I-69-06 changed the implementation date of the Food Stamp Simplification Options (which included exempting \$50 of child/spousal support) from October 1, 2006 to November 1, 2006. Although state clarification was issued, the majority of consortium counties elected not to change the FS Simplification Options programming in CalWIN that exempted \$50 of child/spousal support. Therefore, CalWIN will be exempting \$50 from the child support income effective October 1, 2006.

No worker action is required at this time. Instructions for the Food Stamp Simplification Option will be issued via Special Notice 09-19 as soon as further clarification relating to the simplification options is issued from the state.

**Quality
Assurance
(QA)/Quality
Control Impact**

Effective with sample month of October 2006, both Quality Assurance and/or Quality Control staff will cite a dollar error (for OI or UI over \$25) when the increases to Gross and Net Income Standards and to the Maximum Excess Shelter and the increase to the Standard Utility allotments are not applied in accordance with this Special Notice.

**Assistant Deputy
Director**

Original signed 9/18/06

Dann Crawford

Food Stamps, Medi-Cal, CAPI and GR Programs
Strategic Planning & Operational Support

Original signed 9/18/06

Jaye Yoshonis

CalWORKS Program
Strategic Planning & Operational Support

DH

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